



ANNOUNCEMENT

COMPULSORY ACQUISITION OF THISTLE EUSTON HOTEL

The Board of Directors of GL Limited (the “**Company**”, and together with its subsidiaries “**Group**”) refers to Note 14 of the Notes to the Financial Statements of the Company’s annual report for the financial year ended 30 June 2017. Note 14 states that:

“On 23 February 2017, a compulsory purchase notice was served by the United Kingdom Department for Transport (“**UKDFT**”) on a Thistle brand hotel due to expropriation of land for the future construction of a high speed railway line in London. The General Vesting Declaration (“**GVD**”), a notice that gives a local authority the right to take over the ownership of land, was issued on 21st July 2017 for completion of the land transfer by 30th October 2017. As at 30th June 2017, the relevant hotel, property and equipment have been reclassified as assets held for sale as the land transfer is expected to be completed within the next 12 months.”

The asset referred to above is the Thistle Euston Hotel. The Group has put in its preliminary claim for compensation as a result of the compulsory acquisition. As part of the compensation process, the UK Secretary of State for Transport (“**SST**”) will produce its own valuation of the acquired asset and make an interim payment of 90% of that valuation. The Group has the right to contest the SST’s valuation. Such right is not prejudiced by the receipt or acceptance of the interim payment.

The Company has recently been informed that the SST’s valuation is GBP27.5 million (US\$39.0 million). As the Group’s valuation indicated in its preliminary claim exceeds the SST’s valuation significantly, the Group intends to challenge SST’s valuation.

The Group received an interim payment of GBP 24.8 million (US\$35.2 million) (i.e., 90% of the SST’s valuation of GBP 27.5 million (US\$39.0 million)) on 29 January 2018. The SST’s valuation of GBP 27.5 million (US\$39.0 million) for the Thistle Euston Hotel will result in an estimated gain, on disposal of fixed assets, of GBP 20.9 million (US\$28.0 million) to the Group for the financial year ending 30 June 2018.

The Company will announce any material development for the above in compliance with the Listing Rules of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD

SUSAN LIM
Group Company Secretary
1 February 2018